



State of California
Employment Training Panel

Training Proposal for:

Khuu's Inc.

Agreement Type: Small Business

Agreement Number: ET09-0274

Panel Meeting of: **October 17, 2008**

ETP Regional Office: **San Francisco Bay Area**

Analyst: R. Jackson

CONTRACTOR:

- Type of Industry: Manufacturing:
Priority Industry: ☒ Yes ☐ No
- Contractor's # of Full-Time Employees
 - California: 61
 - Worldwide: 61
 - Number to be trained: 16
- Turnover Rate: 5%
- Repeat Contractor: ☐ Yes ☒ No

CONTRACT:

- Training Project Profile: Priority/Retrainee
- ETP Funding Amount: \$25,792
- In Kind Contribution: \$22,400
- Average Cost per Trainee: \$1,612
- Post Retention Wage: \$14.02
- Health Benefits: \$1.69 per hour
- Occupations to be Trained: Machine Operators, Management, Administration, Quality Control
- Training Menu:
 - ☒ Business skills ☐ Literacy skills
 - ☐ Commercial skills ☐ Management skills
 - ☒ Computer skills ☒ Manufacturing skills
 - ☒ Cont. Improvement ☐ Other:
- Range of Hours: 8-70 Weighted Average: 62
- Multiple Job Numbers: ☐ Yes ☒ No

- County(ies) Served: Santa Clara
- Union Representation: ☐ Yes ☒ No
- Subcontractor: To Be Determined
- Third Party Services: Quovus Advisory , Long Beach, Development Fee \$1,404.
Administrative Services for an amount not to exceed 10% of payment earned.

INTRODUCTION

Khuu's Inc. (Khuu's) is precision machining business based in Sunnyvale. Khuu's faces out-of-state competition and qualifies for ETP funding in accordance with California Code of Regulations, Section 4416(i). Furthermore, the company meets ETP's Priority Industry criteria set out in ETP's strategic plan and is a Small Business manufacturer with fewer than 100 employees.

Khuu's serves optical, telecommunications, semi conductor and electronic industries. The company's customers include: Applied Engineering, Flextronic International and Intel. The company's customers are requiring the use of Statistical Process Controls in efforts to produce higher quality products. ETP funding will help the company avoid potential layoffs by making the business more competitive to retain current customers and attract more business based on improved frontline leadership, enhanced technical skills, and greater quality controls. According to company representatives, ETP funds will supplement training offered at Khuu's and help to establish a foundation that builds upon existing training commitments. Company representatives further illustrate that improved skills in the workforce will assist its employees in becoming eligible and more competitive for promotional opportunities within Khuu's and in the workplace generally.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.